

0073



Canyon Fuel
Company, LLC.
Skyline Mine

A Subsidiary of Arch Western Bituminous Group, LLC.

Gregg Galecki, Environ. Coordinator
HCR 35, Box 380
Helper, UT 84526
(435) 448-2636 - Office
(435) 448-2632 - Fax

October 30, 2007

Ms. Pam Grubaugh-Littig
Permit Supervisor
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Incoming
C/007/0005
#2874

RE: Response to Task ID #2813, North Lease Incidental Boundary Change (IBC), Canyon Fuel Company, LLC, Skyline Mine, C/007/005,

Dear Ms. Grubaugh-Littig:

Please find enclosed with this letter modifications to the M&RP in response to Task ID #2813. The amendment proposes expansion of the existing permit area by approximately 680 acres. The 680 acres lie immediately east of the North Lease portion of the existing permit area. A revised map outlining the IBC is attached to this letter for convenience. Unfortunately, the map included in the original letter incorrectly identified a small section of the current permit area as part of the IBC. Skyline Mine apologizes for the confusion.

Revised letters were also sent out to affected landowners identifying portions of their property affected by the proposed Incidental Boundary Change (IBC).

Also included is letter addressed to you outlining the separation of coal ownership and surface ownership. This letter indicates the revision necessary in the June submittal. Copies of the letter are included in the amendment with instructions (C2 form) that the letter be included in the M&RP (Appendix 118).

The submittal includes completed C1 and C2 forms, an application guidance document – identifying where pertinent regulations are addressed, and eight (8) copies of both clean and redline versions of the text modifications.

If you have any questions, please call me at (435) 448-2636.

Sincerely,

Gregg A. Galecki

Gregg A. Galecki
Environmental Coordinator, Skyline Mine
Canyon Fuel Company, LLC
enclosures

RECEIVED

OCT 30 2007

DIV. OF OIL, GAS & MINING

File in: C/0070005, 2007, Incoming
Refer to:
☒ Confidential
☐ Shelf
☒ Expandable
Date 10-30-07 for additional information

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: Canyon Fuel Company, LLC

Mine: Skyline Mine

Permit Number: C/007/005

Title: Incidental Boundary Change (IBC) in North Lease

Description, Include reason for application and timing required to implement:

North Lease IBC - Response to Task ID #2813

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- ☒ Yes ☐ No 1. Change in the size of the Permit Area? Acres: 680 Disturbed Area: ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☐ Yes ☒ No 6. Does the application require or include public notice publication?
- ☒ Yes ☐ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?
- Explain: _____
- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Wesley K Sorensen
Print Name

Wesley K Sorensen
Sign Name, Position, Date

Subscribed and sworn to before me this 29th day of OCT, 2007

Kathleen Atwood
Notary Public

My commission Expires:

Attest: State of Utah } ss:
County of Carbon



For Office Use Only:

Assigned Tracking
Number:

Received by Oil, Gas & Mining

RECEIVED

OCT 30 2007

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee: Canyon Fuel Company, LLC

Mine: Skyline Mine

Permit Number: C/007/005

Title: North Lease IBC - Response to Task ID #2813

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

Appendix 118A, Landowner notification, DOGM letter of landowner notification
(REPLACEMENT FOR JUNE SUBMITTAL)

☒ Add ☐ Replace ☐ Remove☒ Add ☐ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove

☐ Add ☒ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☒ Add ☐ Replace ☐ Remove
☒ Add ☐ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☒ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove☐ Add ☐ Replace ☐ Remove

Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.

Eight (8) redline/strikeout copies and eight (8) clean copies submitted.

Received by Oil, Gas & Mining

RECEIVED

OCT 30 2007

DIV. OF OIL, GAS & MINING

**Incidental Boundary Change
North Lease
2007**

INTRODUCTION

The following is in response to Task ID #2813, and is intended to serve as a guidance document addressing the deficiencies cited in said document. Due to a change in the longwall panel configuration and some additional room-and-pillar mining, Skyline Mine is applying to modify the current Mine and Reclamation Plan (M&RP) to include approximately 680 acres not currently in the permit area. The 680 acres lie immediately east of the existing permit area. Under the proposed Mine Plans sequence mining activities will cross the existing permit boundary in January 2008, and Skyline Mine is requesting the Incidental Boundary Change (IBC). The modification is categorized as an IBC because the area of expansion is less than 15% of the area currently permitted, does not engage in operations outside the cumulative impact area as defined in the Cumulative Hydrologic Impact Area (CHIA), and does not engage in operations in hydrologic basins other than those authorized in the currently approved permit. Expansion into the IBC includes only development mining, no surface disturbance or subsidence associated with longwall mining is anticipated. Deficiency responses are as follows:

R645-301-114.100; Page 1-30 refers to the lease agreement between Carbon County and Canyon Fuel Company, LLC (CFC) - a copy of the lease agreement is included in the June 2007 submittal; Page 1-32 refers to the lease agreement between C&B Energy and CFC - a copy of the lease agreement is included in the June 2007 submittal; Page 1-39 refers to the Allred Family Trust lease (Section 36, T12S, R6E, and Section 1, T13S, R6E) - a copy of the surface lease agreement is included in the October 2007 submittal; Page 1-39 also refers to the Telonis lease agreement (Section 32, T12S, R7E) - a copy is included in the May 2007 Waste Rock Pile Expansion; Page 3-6 attempted to reference portions of the IBC where mining is proposed to take place - it has been revised in the October 2007 submittal to outline the entire area included in the IBC, not just where mining is proposed.

Correction notices outlining the boundaries of the entire IBC, as it affects each entity has been sent out. As an example, the Allred Family Trust has been notified of all their lands (~296 acres) that are included in the proposed IBC, while approximately 112 acres are actually proposed for undermining.

R645-301-114.200; Copies of the surface agreements with the Allred Family and Koula Marakis Trust have been included in the October 2007 submittal - to be placed in the CONFIDENTIAL FILE.

R645-302-321.200; The Alluvial Valley Floor determination for Winter Quarters and Woods Canyons are currently addressed in Section 2.12 of the currently approved M&RP - no modification is necessary.

R645-301-511; Plate 2.3.4-2 - Potentiometric Surface 11/06 mistakenly had a vertical shaft on the drawing. The plate has been revised to indicate no shaft is planned at this time.

R645-301-521; The map included in the cover letter was in error. The W1/2SW1/4 of Section 12 T13S, R6E is already within the existing permit area. Also, the W1/2SE1/4 of Section 1,

T13S, R6E was mislabeled as W1/2SW1/4 of Section 1, T13S, R6E. The map attached to the cover letter has been revised in the current submittal, and the legal descriptions in the letters sent to DOGM, Price Water Users Association, the Allred Family Trust, and the Koula Marakis Trust have been revised and resent to the respective parties. Also, the description located in Section 3.1.2 (page 3-6) of the M&RP was modified to include the entire IBC not just the areas proposed for immediate mining.

R645-301-512.110; Plate 2.2.7-7 – Abandoned Adjacent Workings has been resubmitted being certified by a registered professional engineer. The certification has included the qualifier stating the Winter Quarter Mine workings are based on historical work and drawings that were not certified but is the best information available.

R645-301-512.140; Plates 2.3.4-2, 2.3.6-1, and 2.3.6-2 from the June submittal will be stamped by a Professional Geologist in the UDOGM Public Information Center (PIC). Plates 2.3.5.1-1 and 2.3.5.2-1 have been resubmitted - stamped by a Professional Geologist, and modified to include a qualifier that the information comes from the Utah Division Water Rights database.

R645-301-521.131; Plate 1.6-1 has been modified to be consistent with text in identifying the correct surface ownership.

R645-301-623; Plate 2.2.1-1 has been modified to include dips on a many of the strike and dip symbols. Minor differences exist on Plate 2.2.1-1 which shows the general surface geology of the area and Plate 2.3.4-2 – Potentiometric Surface map which includes minor geologic differences that are encountered underground; i.e. a sand channel that was encountered underground that could potentially affect a potentiometric surface. No geologic changes were made to either plate.

R645-301-624.320 and 624.330; Lab analysis with an attached drill hole location map have been added to Appendix A-3 Volume 2. A modification to the M&RP in Section 2.2.8, reflects the addition to the appendix.

General Vegetation Map; Although not listed as a deficiency, Mr. Joe Helfrich noted some discrepancies in Vegetation Types Plate 2.7.1-1a during a field site inspection. Modifications have been made to the plate based on observations made by Mr. Patrick Collins, of Mt. Nebo Scientific. Areas of the plate that have been field checked and modified are noted on the plate.

